

Delaware Insurance Department Approves Genworth Acquisition by China Oceanwide

Dover, DE – Trinidad Navarro, Insurance Commissioner of the State of Delaware gave final regulatory approval today to the Form A Application (the “Application”) of China Oceanwide Holdings Group Co. Ltd and certain of its affiliates (“China Oceanwide”) to acquire Genworth Life Insurance Company (“GLIC”) and certain of its affiliates. The Application was first filed by China Oceanwide over two years ago. Since that time, China Oceanwide and Genworth have continued to adjust the transaction as originally filed to address various financial and other regulatory questions posed by state, federal and international regulators, who are separately responsible for the review of different aspects of the transaction.

Commissioner Navarro’s approval follows a November 28, 2018 public hearing. Commissioner Navarro accepts, with certain added conditions, the findings and recommendations of former Vice Chancellor Stephen P. Lamb. Consistent with the Delaware Administrative Procedures Act, Commissioner Navarro appointed Judge Lamb to preside at the public hearing and present him with findings of facts, conclusions of law, and a recommendation as to whether the proposed transaction meets Delaware’s legal requirements for approval. Judge Lamb is known nationally for his distinguished career on the Chancery Court of Delaware where he scrutinized and presided over some of the nation’s largest mergers and acquisitions.

The Delaware Department of Insurance (the “Department”), which used its internal expert financial staff together with outside experts retained to scrutinize the financial, actuarial and data security aspects of this transaction, agreed to notice

the public hearing after the parties recently agreed to deposit \$375 million in liquid funds into GLIC. Having these additional liquid funds invested in GLIC and available to pay policyholders was cited in the testimony of the Department witness, by Judge Lamb in his findings, and today by Commissioner Navarro as being vital to the approval of this transaction. "I am satisfied that China Oceanwide brings immediate new value to the policyholders, and I look forward to working with them and with GLIC's management to assure that the safety of benefits to GLICs policyholders is always considered the top priority."

To that end, Commissioner Navarro's approval includes certain additional conditions designed to assure the ongoing safety of GLIC's policyholders. The approval includes restrictions on the parties to assure that GLIC's funds are used for policyholders. They include prohibiting any dividends without the Department's prior approval and tasking China Oceanwide and GLIC to establish teams to continuously meet and respond to Department requests focused on measures of financial health. Commissioner Navarro acknowledged the challenges facing long term care insurers as part of his approval: "I know that no one act will fix all the challenges of long term care, but I am satisfied that this approval is a step forward, to be followed by many future steps to protect the policyholders".

Commissioner Navarro made clear, both in prior statements and again with his approval today, that he considers the policyholders of GLIC to be his major focus and concern. "I congratulate the parties on the hard work that they have done to achieve this approval, and I want to assure the policyholders of GLIC that this approval is just one of many steps I will take to assure that GLIC is always available to respond to their needs." GLIC, as the nation's largest long term care insurer, is at the center of national concerns relating to the financial health of long-term care insurance

companies, and the Department will continue to work with GLIC to search for answers so GLIC can continue to pay all promised benefits.

Documents concerning this matter, including Commissioner Navarro's Order, can be accessed on the Delaware Insurance Department website at:

<https://www.dropbox.com/sh/j3llnl9ehtgb9we/AAAE1Vdc9a6UwMex016g5Nfpa?dl=0&lst=>

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